This listing of claims will replace all prior versions, and listings of claims in the application:

Listing of Claims:

1 - 62. Canceled.

63.   (New). A method of determining a settlement price of a financial instrument that includes a basket of futures contracts, the method comprising:

(a) determining a conversion-factor-weighted price for each futures contract within a basket of futures contracts;

(b) identifying the futures contract that is cheapest to deliver into a corresponding physical-delivery futures contract; and

(c) setting the settlement price equal to the conversion-factor-weighted price of the futures contract identified in (b).

64.   (New) The method of claim 63, wherein the financial instrument comprising a futures contract having tick sizes that differ from a tick size of a corresponding physical-delivery futures contract.

65.   (New) The method of claim 63, wherein the basket of futures contracts corresponds to a deliverable basket for a corresponding physical-delivery futures contracts.

66.   (New) The method of claim 63, wherein the financial instrument comprising a futures contract that is cash settled and obeys the same schedule for last trading day and expiration as a corresponding physical-delivery futures contract.

67.   (New) The method of claim 63, wherein the settlement price (P) is determined in accordance with:

$$P = Z \times (\text{minimum}\{\ P_1/c_1 \ldots P_N/c_N\}),$$

Where:

   Z is the notional value of a futures contract;

   N is the number of deliverable commodity grades in the basket of futures contracts;

   P_i, i = 1 to N, are market prices at the time of contract expiration of each futures contracts in the basket of futures contracts; and

   c_i, i = 1 to N, are conversion factors, where each c_i scales the corresponding P_i to compensate for any differentials pertaining to the deliverable grade commodity represented by price P_i.

68.   (New) The method of claim 67 wherein each c_i scales the corresponding P_i to compensate for any grade differentials pertaining to the deliverable grade commodity represented by price P_i.

69.   (New) The method of claim 67 wherein each c_i scales the corresponding P_i to compensate for any quality differentials pertaining to the deliverable grade commodity represented by price P_i.

70.   (New) The method of claim 67 wherein each c_i scales the corresponding P_i to compensate for any location differentials pertaining to the deliverable grade commodity represented by price P_i.

71.   (New) The method of claim 63, wherein the physical delivery mechanism of the financial instrument mirrors a physical delivery mechanism of a bond futures contract based on long-term debt instruments issued by the Federal Republic of Germany.

72.   (New) The method of claim 71, wherein the physical delivery mechanism of the financial instrument mirrors a physical delivery mechanism of a bond futures contract based on Bundesanleihen (Bunds) issued by the Federal Republic of Germany.

73.   (New) The method of claim 63, wherein the physical delivery mechanism of the financial instrument mirrors a physical delivery mechanism of a bond futures contract based on medium-term debt instruments issued by the Federal Republic of Germany.

74.   (New) The method of claim 73, wherein the physical delivery mechanism of the financial instrument mirrors a physical delivery mechanism of a bond futures contract based on Bundesobligationen (Bobls) issued by the Federal Republic of Germany.

75.   (New) The method of claim 63, wherein the physical delivery mechanism of the financial instrument mirrors a physical delivery mechanism of a short-term federal debt instruments issued by the Federal Republic of Germany.

76.   (New) The method of claim 75, wherein the physical delivery mechanism of the financial instrument mirrors a physical delivery mechanism of a bond futures contract based on Bundesschatzanweisungen (Schatz) issued by the Federal Republic of Germany.

77.   (New) The method of claim 63, wherein the basket of futures contracts comprises Bunds, Bobls, and Schatz.

78.   (New) The method of claim 63, wherein the settlement price (P) is determined in accordance with:

$$P = Z \times (\text{minimum}\{\ P_1/c_1 \ldots P_N/c_N\}),$$

Where:

Z is 1,000 Euros;

N is a number of Bund issues fulfilling a delivery standard;

P_i, i = 1 to N, are market prices of each Bund issue fulfilling the delivery standard, where all P_i are quoted in points and hundredths of one point, with par being on the basis of 100 points; and

c_i, i = 1 to N, are conversion factors, where each c_i is a price of the corresponding Bund issue, with a one Euro par value yielding 6.00% to maturity.